



# 2009 Fall Caravan

**Short Sales and Agency  
6 hours Required\***

\* (this course is not approved for continuing education hours for appraisers)

**Presented by Lynn Madison, DREI  
Lynn Madison Seminars**

Wednesday, September 9 – Pierre Ramkota RiverCentre – 920 W. Sioux Ave.

Thurs., Sept. 10 – Rapid City Rushmore Plaza Civic Center – 444 N. Mt. Rushmore Rd.

Friday, September 11 – Spearfish Holiday Inn – I-90 Exit 14

Monday, September 28 – Aberdeen Ramkota – 1400 8<sup>th</sup> Ave. NW

Tuesday, September 29 – Watertown Ramkota – 1901 9<sup>th</sup> Ave. SW

Wednesday, September 30 – Sioux Falls Holiday Inn City Centre – 100 W. 8<sup>th</sup> St.

Thursday, October 1 – Sioux Falls Ramkota – 3200 W. Maple St.

**Please make note of the event LOCATIONS for this caravan. The SIOUX FALLS caravan courses are at TWO DIFFERENT SITES!**

Registration begins at 8:15 a.m. Course is scheduled from 9 a.m to 4 p.m.

Pre-registration is required to guarantee admission and is **STRONGLY ENCOURAGED**.

**Deadline to pre-register is 5 days before event date.**

**Use the registration form on the back page of this newsletter.**

**Registration Fee: \$50.00** (including cookies during morning break)

**The Commission will retain \$20 of any refunded registration fee.**

The SDREC has a strict attendance policy and expects participants to attend the entire session.  
For special needs or access assistance, call the Commissions office at (605) 773-3600.

## Inside This Issue

**From the Director  
Regulatory News from Around the Country  
Disciplinary Actions**

**Fall Caravan Speaker, Lynn Madison  
Continuing Education Corner  
Appraiser's Update**



## From the Director's Desk

It's hard to believe that summer is almost over and it will soon be time for the Commission's Fall Caravan. Be sure to mark your calendar to take advantage of this valuable education session presented by the popular educator Lynn Madison. Of special interest will be her session on short sales. The Caravan registration form is appears in this issue and is also available at the Commission's website.

At a recent conference that I attended, jurisdictional updates were given by the attendees. Most jurisdictions are concerned about budget restraints, especially hiring and travel restrictions. Another major concern is dealing with unlicensed individuals who engage in the practice of real estate. Very few jurisdictions have regulatory authority over this type of activity, but there are some and those numbers appear to be increasing. License counts always reflect the market, so most jurisdictions reported a decrease in licensees. South Dakota numbers are down about 5%.

I've been receiving calls regarding licensees who refer buyer clients to only one home inspector, even though there may be several available in the area of the subject property. In cases like this, the licensee is subjected to a much higher risk. Should the home inspector fail to report a defect and the licensee's client pursues legal action, a judge could find the licensee vicariously liable. The legal principle of vicarious liability applies to holding one person liable for the actions of another when engaged in some form of joint or collective activity. It's best to let the buyer client select the home inspector. However, a licensee should protect the buyer client by advising the client to select a home inspector who is properly insured. The client should also be advised to read the "Stop Before Buying" section of the Consumer Guide which addresses the importance of home inspections.

At the Commission's request, Applied Measurement Professionals (AMP) who administers the South Dakota real estate licensing exam will soon be implementing a change in the way the multiple-choice exam is scored. Currently, the score from the state portion of the multiple-choice licensing exam is combined with the scores from the national portion. In reviewing all the scores, it was discovered that some individuals had failing scores on the state portion, but with combined scores, they had an overall passing score. The Commission feels it is imperative for all South Dakota licensees to be proficient in the real estate laws of this State. Therefore, it has recently entered into a contract with AP to separate the score of the South Dakota portion from those of the national portion. This transition will take place sometime this fall.

Schools will be in session soon, so please drive safely through school zones.

*DjN*

## Child Support Payments and License Renewal

*A reminder for licensees with past due child support obligations*

Under SDCL 25-7A-56, ... "No state agency or board may issue or renew the professional, sporting, or recreational license, registration, certification, or permit of any applicant after receiving notice from the Department of Social Services that the applicant has support arrearages in the sum of one thousand dollars or more, unless the applicant first makes satisfactory arrangements with the Department of Social Services for payment of any accumulated arrearages...."

The SDREC office receives an updated report on a monthly basis of individuals on the child support enforcement arrearages list. If a real estate licensee is on this list at the time of his/her license renewal, the SDREC CANNOT process the license renewal until the Dept. of Social Services notifies the SDREC office that satisfactory payment arrangements have been made.

## Continuing Education Corner

By Karen Callahan, Education Director

Getting back to basics. This seems to be a theme when it comes to the real estate education program in South Dakota lately.

As a result of the legislative change to increase the prelicensing course from 100 to 116 hours, our prelicensing course providers have been hard at work expanding on the material covered in their classrooms. They have had to go back to the basics of re-writing outlines, coursework and exams. It's a tedious but important task and their efforts are appreciated.

The need to reinforce the basics prompted the implementation of postlicensing education requirements for brand new broker associates licensed after July 1<sup>st</sup>. By placing the emphasis on fundamentals, new agents will receive the education they need the most early in their real estate careers. The SDREC office has been and continues to re-evaluate existing continuing education courses to determine which ones also qualify as postlicensing courses.

Our featured speaker for the fall caravan, Lynn Madison, will cover two different topics. Short sales are unfortunately becoming a familiar occurrence. Lynn's presentation will offer some good information to help licensees guide their clients through this process. The other featured topic is agency. This is not a new topic, but an extremely important one. In fact, agency relationships are probably one of the biggest reasons continuing education requirements exist! It is certainly the root cause of many inquiries by the public to the SDREC office. The caravan will offer both new and veteran licensees alike an opportunity to go back to basics. Licensees with questions on agency – here's your chance to get some answers!

And finally, what could be more basic than a little License Renewal 101? For those of you who will be renewing your license this year, it is important to know where you're at with your education. If you still need hours, don't wait until the last minute!



## Fall Caravan Featured Speaker: Lynn Madison

Lynn is the owner of Lynn Madison Seminars, Inc., a full-service training and development company devoted to the advancement of professionalism in real estate.

Lynn has been a speaker at the NAR convention for over a decade and has spoken to REALTORS® in Louisiana, where she has been teaching agency and GRI courses since 1997, as well as conducting seminars in Michigan, Wisconsin, North and South Dakota, Georgia, Texas, Arkansas, Oklahoma, Florida - the list goes on. Lynn also conducts the new member orientation programs for many of the Realtor Associations in northern Illinois on an on-going basis.

Lynn has been active in developing and delivering not only Illinois' continuing education programs since 1992, she is also a certified CE instructor in over 40 other states. She conducts over 250 sessions annually. Lynn was honored to be chosen by NAR to do the pilot program of the new One America: At Home with Diversity program and not only conducts the program but also does the train-the-trainer for new Diversity instructors.

As a Senior Instructor for REBAC's ABR program, Lynn not only conducts the program nationwide, she is involved in its development and instructor certification program. In 2004 she was inducted into the REBAC Hall of Fame. Her involvement in WCR has given her the opportunity to be in on the ground floor of their dynamic new Performance Management Network program and the development and presentation of their Negotiating, Harnessing the Power and other programs. Lynn has co-authored the Short Sales and Foreclosure program for REBAC as well.

Lynn has served on the NAR Cultural Diversity/EOH and Risk Management Committers, and currently serves on NAR's Professional Standards Committee.

At the state level, Lynn's involvement has included:

Chair of the Political Fund Raising Committee

Chair of the Illinois Professional Standards Committee

Chair of Illinois' GRI Committee,

Chair of Illinois' Convention

Committee

Illinois License Law Rewrite Task Force

License Law Scope and Structure Working Group

Equal Opportunity Working Group Education Committee

Strategic Planning Committee

Locally, Lynn serves as a Director of the Main Street Organization of REALTORS and has served her local association as a member of Education, Strategic Planning, EOH, and Professional Standards committees. She is currently their RPAC Fundraising Co-Chair and has recently spent over sixteen months on the Multi-Board Sales Contract Re-write Group.

Lynn is ITI certified, a member of the Real Estate Educators Association. She is an NAR Educator of the Year award winner and has received Educator of the Year honors from the Illinois Educators' Association. She was honored with the Realtor of the Year award from her local association as well as numerous Distinguished Service and Key awards from both her state and local associations.

## New Licensees

The South Dakota Real Estate Commission would like to welcome the following new licensees.

### Auctioneer

Southern, Ted E - Canton

### Broker

Gass, Jared - Arlington

Geditz, Kiana - Colorado Springs, CO

Kinze, Cynthia L - Sergeant Bluff, IA

Vlaminck, Jerald P - Delano, MN

### Broker Associate

Amdahl, Alana C - Sioux Falls

Andersen, Shane C - Brookings  
Bjornson, Jesse L - Watertown  
Dougherty, Shon P - Sioux Falls  
Higman, Lily S - N. Sioux City, IA  
James, Kathleen K - Madison  
Kringen, Rachael R - Sioux Falls  
Kruger, Dean A - Inwood, IA  
Lund, Marty L - Harrisburg  
Mehlhoff, Jonathan - Rapid City  
Osborn, Brent S - Redfield  
Osborn, Michelle M - Redfield  
Parks, Benjamin A - Sioux Falls  
Souvignier, Ted E - Canton  
Viereck, Kelli L - Sioux Falls  
White, Suzanne M - Rapid City

### Reg. Home Inspector

Fritsch, Jr., Francis A - Moorcroft, WY

### Res. Rental Agent

Fergen, Lyn R - Brookings

Torgerson, Daleen - Spearfish

### Salesperson

Gabriel, Lowell G - Alden, MN

Hiserote, Chanthala - S. Sioux City, NE

Olson, Matthew R - Hawley, MN

Stokes, Adam P - Coralville, IA

## License and E&O Renewal Reminders

Errors & Omissions Insurance Annual Premium Notices and License renewal forms will be mailed out in early October. E&O premiums for licensees on the group policy are due ANNUALLY, regardless of when the license and are due in the SDREC office no later than November 30. License renewal forms will be sent out ONLY for those licensees who are due to renew at the end of 2009.

The notices will be mailed directly to licensees at their office addresses. Inactive licensees will receive the renewal notices at their home addresses. As a reminder, the renewals must be received by the SDREC office by November 30 or a late fee will be assessed - this is NOT a postmark deadline

If your education is not completed, NOW is the time to take some courses!

# Real Estate Regulatory News from Around the U.S.

(used with permission from ARELLO)

## Washington Adopts Home Inspector Referral Rule

A new rule promulgated by the Washington Real Estate Commission requires licensed designated real estate brokers to establish a written office policy that includes a procedure for the referral of home inspectors to buyer and sellers. The rule ensures consumer choice in the selection of home inspectors.

The new rule, Washington Administrative Code section 308-124C-050, provides that:

"Each licensed designated broker will establish a written office policy that includes a procedure for referring home inspectors to buyers or sellers. The policy will address the consumer's right to freely pick a home inspector of the buyer's or seller's choice and prevent any collusion between the home inspector and a real estate licensee. If a licensee refers a home inspector to a buyer or seller with whom they have or have had a relationship including, but not limited to, a business or familial relationship, then full disclosure of the relations must be provided in writing prior to the buyer or seller using the services of the home inspector."

The new rule arose from home inspector licensing and regulation legislation that was enacted in the state in 2008. The new statutes vest home inspector regulatory authority with the Director of the Washington Department of Licensing and create a Home Inspector Advisory Licensing Board that establishes rules for adoption by the Director, establishes minimum licensing qualifications, approves examination methods and recommends standards of professional conduct, practice and ethics.

A provision of the home inspector legislation required the Commission to establish procedures through rulemaking for real estate agents to follow when providing potential home buyers with home inspector referrals.

The new rule took effect in January.

## Nevada Passes BPO Bill

A bill that establishes detailed standards for the generation of brokers' price opinions (BPOs) has been passed by the Nevada State Legislature and signed into law. Under the terms of the bill, SB 184, active Nevada real estate licensees in good standing will be permitted to prepare and provide a BPO and collect a fee for that service, but only if the BPO complies with various content and disclosure requirements.

The bill defines a broker's price opinion as "a written analysis, opinion or conclusion that a [real estate licensee] prepares... relating to the estimated price for a specified parcel." Real estate licensees will be permitted to prepare BPOs only for:

- An existing or potential seller for the purposes of listing and selling a parcel of real property;
- An existing or potential buyer of a parcel of real property;
- A third party making decisions or performing due diligence related to the potential listing, offering, sale, exchange, option, lease or acquisition price of a parcel of real property; or
- An existing or potential lienholder, except that a broker's price opinion prepared for an existing or potential lienholder may not be used in lieu of an appraisal for the purpose of determining whether to approve a mortgage loan.

Furthermore, the written BPO prepared by a real estate licensee must comply with stringent content requirements. These include:

- A statement of the intended purpose of the broker's price opinion;
- A brief description of the real property and the interest in the real property for which the broker's price opinion is being prepared;
- The basis used to determine the broker's price opinion including, without limitation, any applicable market data and the computation of capitalization;
- Any assumptions or limiting conditions used to determine the broker's price opinion;
- The date of issuance of the broker's price opinion;
- A disclosure of any existing or contemplated interest of every licensee

who prepares or provides the broker's price opinion including, without limitation, the possibility of a licensee representing the seller or purchaser;

- The license number, name and signature of every licensee who prepares or provides the broker's price opinion; and

- If a licensee who prepares or provides the broker's price opinion is a real estate salesman or a real estate broker-salesman, the name of the real estate broker with whom the licensee is associated.

S.B. 184 also mandates that all BPOs include a disclosure, in at least 14-point bold type, stating that:

*"Notwithstanding any preprinted language to the contrary, this opinion is*

## South Dakota Real Estate VIEW

Official Publication of the  
South Dakota Real Estate Commission  
221 West Capitol Ave., Suite 101  
Pierre, South Dakota 57501

Telephone: 605-773-3600

Facsimile: 605-773-4356

Website: [www.state.sd.us/sdrec](http://www.state.sd.us/sdrec)

E-mail: [dr.ralestate@state.sd.us](mailto:dr.ralestate@state.sd.us)

Editor-in-Chief: Dee Jones

Noordermeer

Editor: Karen Callahan

### THE COMMISSION AND STAFF

Dennis Eisnach, Chair..... Pierre  
Paula Lewis, Vice-Chair..... Rapid City  
Eileen Fischer, Member..... Fort Pierre  
Charlie Larkin, Member..... Watertown  
Brian Jackson, Member..... Sioux Falls  
Dee Jones Noordermeer,

Executive Director..... Pierre  
Karen Callahan, Education Dir..... Pierre  
Norma Schilling, Licensing..... Pierre  
Michelle Metzinger, Compliance.. Pierre  
Angela Hagena,  
Compliance ..... Sioux Falls

Articles by outside experts express the author's particular viewpoints. These opinions are not necessarily shared by the Commission, nor should they be mistaken for official policy. The articles are included because they may be of interest to the readers.

*not an appraisal of the market value of the property. If an appraisal is desired, the services of a licensed or certified appraiser must be obtained."*

The new legislation also addresses situations in which a BPO may be submitted electronically or on a form supplied by the requesting party. Under these circumstances, electronic signatures are permitted under Nevada's existing Uniform Electronic Transactions Act. The signature of the preparing broker and the required disclosure may be transmitted in a separate attachment if the electronic format or form supplied by the requesting party does not allow additional comments to be written by the licensee. Also, the electronic format or form supplied by the requesting party must reference the existence of a separate attachment and include a statement that the broker's price opinion is not complete without the attachment. Furthermore, electronically submitted BPOs are subject to existing Nevada recordkeeping requirements for real estate licensees.

The new laws also reinforce a broker's responsibility for all activities of a licensee who is associated with the broker and with the preparation of a broker's price opinion.

In June 2008, the Nevada Real Estate Division approved the initiation of a Broker Price Opinion Task Force to be comprised of the Division's Administrator and other staff, real estate brokers, attorneys, REALTOR® association representatives and appraiser representatives. After the task force completed its work, the Division issued "Informational Bulletin #14" which addresses appropriate BPO practices by real estate licensees and includes many of the elements contained in SB 184.

The new statutes took effect in Nevada on July 1, 2009.



## In Memoriam

The SD Real Estate Commission extends its sincerest sympathy to the families and friends of the following licensee who recently passed away:

Thomas E. Alberts. Avon. SD

## Disciplinary Action

The following disciplinary actions have become effective since the last report in the newsletter. A Stipulation and Assurance of Voluntary Compliance is a settlement agreement between licensees and the Real Estate Commission and constitutes neither an admission nor a denial of any violation.

**David Graham, Sioux Falls, Broker.** Findings of Fact, Conclusions of Law, and Order.

Violation of SDCL 36-21A-28, 36-21A-61, 36-21A-62, 36-21A-119 36-21A-71 (1);(32). Mr. Graham has committed unprofessional conduct by violating provisions of license law and rules promulgated by the commission and by acts constituting or demonstrating bad faith, incompetency or fraudulent dealings. Mr. Graham acted as a licensee when he was not licensed from Dec. 31, 2008 through January 7, 2009. Mr. Graham failed to complete his continuing education and file his license renewal application and his errors and omissions enrollment by the deadline date.

Suspension of license; Suspension of license shall be held in abeyance for six months during which time Mr. Graham shall reimburse the commission costs of \$1,942.70, pay a penalty of \$250 and shall have no violations of real estate law.

**David Tingle, Sioux Falls, Broker.**

Findings of Fact, Conclusions of Law, and Order.

Violation of SDCL 36-21A-52, 36-21A-56, 36-21A-82 and 36-21A-71 (1),(8). Mr. Tingle has committed unprofessional conduct by violating provisions of license and rules promulgated by the commission and by failing or refusing upon demand to produce records concerning a transaction under investigation by the commission. Mr. Tingle failed to notify the commission of change of address and association and refused to comply with requests for information concerning an audit.

Revocation of License. Revocation shall be held in abeyance for one year during which time Mr. Tingle must

complete the 15-hour Responsible Broker Course and 6 hours of License Law in addition to existing education requirements; provide the commission with all the information needed to complete its requested audit; reimburse costs of \$2,107.75 and pay a penalty of \$1,000; and have no violations of real estate law for one year.

**Ronald Bradeen, Custer, Broker.** Stipulation and Assurance of Voluntary Compliance. Alleged violation of SDCL 36-21A-71(9) for offering property for sale without knowledge and consent of the owner. Mr. Bradeen shall reimburse the commission costs of \$5,058.90, pay penalty of \$50, complete the 15-hour responsible broker course within one year and have no like violations consisting of the offering or advertising of real property without a prior written listing agreement.

## Builder's Energy Efficiency Disclosure Statement

As reported in the last edition of the Real Estate VIEW, a new disclosure form for builders or sellers of new construction homes to identify energy efficiencies went into effect on July 1, 2009.

The SDREC office has fielded several calls from licensees with questions regarding this form.

Much like the Seller's Property Condition Disclosure Statement, this form is NOT a commission-prescribed form. The commission has no legal authority for making changes to or establishing policy for this form. Our role is to simply make it available to the public.

Builders in the state of South Dakota, unlike many other professions, do not fall under the regulatory authority of a state licensing board or commission. Disputes regarding the completion of this form or the information provided on this form would need to be resolved in a court of law.





# APPRAISER UPDATE

This section of the South Dakota Real Estate Review is the responsibility of the South Dakota Department of Revenue and Regulation Appraiser Certification Program. Articles are printed here to communicate pertinent information to those appraisers who receive this newsletter and are licensed under the Certification Program. Appraiser certification inquiries can be directed to Sherry Bren, Program Administrator, 445 East Capitol, Pierre, SD 57501, 605-773-4608

## Appraiser Certification Program Mission–Purpose–Intent

The Appraiser Certification Program was implemented July 1, 1990, pursuant to enactment of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) by Congress. The mission of the Program is to certify, license and register appraisers to perform real estate appraisals in the state of South Dakota pursuant to Title XI (FIRREA). The purpose of the Program is to examine candidates, issue certificates, investigate and administer disciplinary actions to persons in violation of the rules, statutes and uniform standards, and approve qualifying and continuing education courses. Title XI intends that States supervise all of the activities and practices of persons who are certified or licensed to perform real estate appraisals through effective regulation, supervision and discipline to assure their professional competence.

## Appraiser Certification Program Advisory Council

Council members provide recommendations to the Secretary of the Department of Revenue and Regulation in the areas of program administration in order to sustain a program that is consistent with Title XI. The Council meets quarterly in public forum. See the Website for meeting information. [www.state.sd.us/appraisers](http://www.state.sd.us/appraisers)

## Vacancy - Advisory Council

The Department of Revenue and Regulation is seeking nominations for a **State-Certified General Appraiser practicing in Western South Dakota** to serve as a member of the Appraiser Advisory Council.

The Advisory Council is responsible for advising the Department Secretary in matters of program administration, procedure, and policy in order to sustain a program that is consistent with Title XI, Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989 administered by the Appraisal Subcommittee, the uniform standards and qualifications criteria as set by the appraisal Standards Board and the Appraiser Qualifications Board of the Appraisal Foundation. The council members do not receive compensation for any expenses incurred to serve on the council. Four meetings are held each year in Pierre. The term limit is four years.

If you are interested in nominating yourself or another appraiser for appointment to the Advisory Council, please submit your nomination in writing to the Department of Revenue and Regulation, Appraiser Certification

Program, 445 East Capitol Avenue, Pierre, South Dakota 57501.

The nomination should include the appraiser's name, address, appraiser title and the reason that you believe you or the person you have nominated should be appointed to the Advisory Council. Any person nominated for the position should possess substantial knowledge regarding appraising, a reasonable understanding of Title XI, FIRREA and its impact on the appraiser profession, and be highly respected by other appraiser professionals.

**Please submit nominations to the Department no later than October 15, 2009. If you have any questions, please feel free to contact Sherry Bren at 773-4608.**

## 2009 Renewal

**Notice!** The 2009 renewal applications are due in the Appraiser Certification Program office by August 17, 2009. Please submit your renewal application, renewal fees and verification of 28 hours of approved continuing education which includes the 7-hour National USPAP update course as soon as possible. (The 15-hour National USPAP Course may not be submitted in lieu of the 7-hour National USPAP update course.)

## New Licensees – July 2009

Gary E. Way, State-Certified General – Ponca, NE

Peggy A. Kalt, State-Registered – Aberdeen, SD

Deidra L. Lange, State-Registered – Center, ND

## Information Regarding Disciplinary Actions

Public information regarding disciplinary action taken against an appraiser is available upon written request to the Department of Revenue and Regulation, Appraiser Certification Program, 445 East Capitol Avenue, Pierre, SD 57501 or e-mail – [Sherry.Bren@state.sd.us](mailto:Sherry.Bren@state.sd.us). Include in the request for information the name of the appraiser and the appraiser's city and state of residence. (Disciplinary action may include denial, suspension, censure, reprimand, or revocation of a certificate by the department. (ARSD 20:14:11:03))

## **Review of Cases – January 1, 2009 through July 31, 2009**

For the period 01/01/2009 through 07/31/2009, the Department has received 2 upgrade applications and initiated 11 complaint investigations.

Upgrades – 2 issued.

Complaints – 8 pending.

## **Upgrade – July 2009**

Josh Luther, State-Certified General

### **Anonymous Complaints**

ARSD 20:14:11:01.01. Anonymous complaints. Initiation of an investigation may be commenced upon receipt of an anonymous complaint if it meets the following criteria:

(1) The allegations of violations of any provision of this article are considered credible and based upon factual information which is independently verifiable; and

(2) The complaint is accompanied by a copy of the appraisal report or other documents which contain clearly identifiable errors or violations of the provisions of this article.

## **Training Course for Supervising Appraisers And State-Registered Appraisers**

### **NEXT COURSE OFFERING:**

**Department of Revenue and Regulation  
Anderson Building  
Garden Level Conference Room  
Pierre, South Dakota  
August 20, 2009, 1:00 p.m.**

For further information and registration contact the Professional

Appraisers Association of South Dakota (PAASD). (Telephone: 605.716.9011 or Website at [www.paasd.com](http://www.paasd.com))

[Note: The Department of Revenue and Regulation Training Course for Supervising Appraisers and State-Registered Appraisers is the only acceptable course to meet the education program requirements for South Dakota licensees (supervisors and state-registered appraisers.)]

## **USPAP Q & A**

Vol. 11, No. 6, June 2009

### **Collecting Fee on Behalf of an AMC**

Question: I am completing an appraisal assignment for which I was engaged by an appraisal management company (AMC) on behalf of a lender. The AMC has asked me to collect a fee from the prospective borrower. I am to retain my portion of the total fee as the fee for my appraisal services, and forward the balance to the AMC. The AMC requires that there is to be no disclosure in the report of the total fee, nor of the manner in which the fee is to be split. Does USPAP permit this type of fee arrangement?

### **Assignment Conditions, Scope of Work Acceptability, and Geographic Competency**

Question: I am a residential appraiser performing work for several appraisal management companies. Often, I am asked to perform an appraisal assignment outside the areas I am most familiar with. The assignments come with a requirement that a completed report be submitted within 48 hours or less. This time frame does not permit me to adequately research the subject property market. Is it permissible for me to accept an assignment under these conditions?

### **Request to Modify a Completed Appraisal Report**

Question: I have completed an appraisal assignment for a client. The report was completed using the 2005 version of the Uniform Residential Appraisal Report (URAR). The client has requested that I remove one of the comparable properties from the report because, in the underwriter's opinion, it

is not sufficiently similar to the subject property. If I do this, will my action comply with USPAP?

Vol 11, No. 7, July 2009

### **Access & Retrieval of Workfiles**

Question: I am an appraiser in a large firm and assist several of the senior appraisers in appraisal research, analysis and report preparation. In a recent USPAP class, the instructor said that associates must have either copies of their workfiles, or an agreement with their employer regarding access to the workfiles, for appraisals on which they provided significant assistance. Does that agreement have to be in writing?

### **Significant Professional Assistance**

Question Part 1: I am a research assistant with an appraisal firm that has three state certified or licensed real property appraisers. My responsibilities include preparing an appraisal file on each new assignment, researching past sales of the subject, obtaining zoning information, tax data, market information and sales research (including confirming the sales) for the three associates. The licensed or certified appraisers usually inspect the property and prepare the appraisal themselves. Currently, they do not recognize me in these reports, and I am not permitted to sign them.

I also sometimes go with them on the inspections and write portions of the reports. In these cases they do recognize me, as required by USPAP. I am concerned about receiving experience credit for all my appraisal assistance from the state's appraiser licensing board or a professional association if I apply for a designation. Should my participation be referenced in all the reports when I provide assistance, or only when I inspect the property and write portions of the report?

Question Part 2: How must recognition of my significant appraisal assistance be included when there is no written report, but significant assistance was provided and documentation of my work is in the workfile?

Answers to the above questions can be found at:  
[www.appraisalfoundation.org](http://www.appraisalfoundation.org).

[For further information regarding USPAP Q&As contact The Appraisal Foundation at:  
[www.appraisalfoundation.org](http://www.appraisalfoundation.org)]

SD Real Estate Commission  
221 W Capitol Ave, Suite 101  
Pierre, SD 57501

4340 copies of this publication were printed by the South Dakota Real Estate Commission at a cost of .20 per copy.

**2009 Fall Caravan Registration Form—Short Sales & Agency**  
**One registration form per person!**

Name \_\_\_\_\_ License Number and Type \_\_\_\_\_

\_\_\_\_\_  
(Mailing Address) (City) (State) (Zipcode) (Daytime Phone)

Email Address: \_\_\_\_\_

**Please check which you would like to attend. Registrations left blank will be returned.**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Pierre Ramkota – Wed., Sept. 9       | <input type="checkbox"/> Rapid City Civic Center –<br>Thurs., Sept. 10 | <input type="checkbox"/> Spearfish Holiday Inn – Fri.,<br>Sept. 11               |
| <input type="checkbox"/> Aberdeen Ramkota – Mon.,<br>Sept. 28 | <input type="checkbox"/> Watertown Ramkota – Tue.,<br>Sept. 29         | <input type="checkbox"/> Sioux Falls Holiday Inn City<br>Centre – Wed., Sept. 30 |
| <input type="checkbox"/> Sioux Falls Ramkota –Thurs Oct. 1    |  |  |

**Registrations received by phone or fax will NOT be accepted.** The registration fee of \$50 must  
accompany this form. The Commission will retain \$20 of any refunded registration fee.

Registrations should be mailed to SDREC, 221 W. Capitol Ave., Suite 101, Pierre, SD 57501.

**Registrations are due 5 days before the event date.**